

JOHNS LYNG GROUP LIMITED (ASX: JLG)

ASX Statement

13 December 2021

JOHNS LYNG GROUP SUCCESSFULLY COMPLETES INSTITUTIONAL PLACEMENT AND INSTITUTIONAL ENTITLEMENT OFFER

Overview

- Institutional Placement and Institutional Entitlement Offer successfully completed, raising approximately A\$221 million
- Institutional Entitlement Offer was strongly supported by existing institutional shareholders, with over 96% take up from eligible institutional shareholders
- The placement and Institutional Entitlement Offer shortfall (“Placement”) cleared at a price of A\$7.00, representing a A\$0.20 premium to the Offer Price under the Entitlement Offer of A\$6.80
- The Placement was well supported by both existing institutional shareholders and new investors
- Key JLG executive directors and select senior staff have committed to participate in the Equity Raising in an amount, in aggregate, of approximately A\$18 million.

Johns Lyng Group Limited (“**Johns Lyng**”, “**JLG**” or “**the Company**”) is pleased to announce the successful completion of the institutional component of the equity raising announced on Thursday, 9 December 2021 to fund the acquisition of Reconstruction Experts (“**RE**”), associated transaction expenses and to ensure JLG and RE maintain financial flexibility to fund their near-term growth initiatives (“**Equity Raising**”).

The fully underwritten institutional placement and the institutional component of the fully underwritten 1 for 35.91 pro rata accelerated non-renounceable entitlement offer (“**Institutional Entitlement Offer**”) together raised approximately A\$221 million.

The Institutional Entitlement Offer attracted strong support from institutional shareholders with take-up by eligible institutional shareholders of over 96%. The Institutional Entitlement Offer raised approximately A\$34 million, at an offer price of A\$6.80 (“**Offer Price**”) per new fully paid ordinary share issued in Johns Lyng (“**New Share**”).

The fully underwritten Placement raised approximately A\$187.5m and was undertaken via a variable price bookbuild with an underwritten floor price of the Offer Price. Due to the Placement being well supported by new and existing institutional investors, it cleared at the top of the range at A\$7.00. This represented a A\$0.20 premium to the Offer Price under the Entitlement Offer of A\$6.80 and a 1.7% discount to the theoretical ex-rights price of A\$7.12 as calculated on Thursday, 9 December 2021. A total of 26.8 million New Shares will be issued under the Placement.

No shareholder approval is required in connection with the issue of New Shares under the Placement.

Scott Didier, Johns Lyng Managing Director and Chief Executive Officer, said “*We are incredibly excited by the support we have received from investors and would like to thank our shareholders for their strong backing of*

Johns Lyng, as we continue to execute on our vision and strategy. We believe the Reconstruction Experts acquisition is the perfect fit for us to unlock the U.S. market. The existing management are extremely motivated and excited to join our partnership model and the business represents exciting growth opportunities. The recognition and support of investors through the institutional component of the Equity Raising signals a clear endorsement from the market of our strategy. We would like to welcome our new shareholders through the raising and look forward to building a strong relationship with them."

New Shares to be issued under the Placement and Institutional Entitlement Offer will rank equally with existing JLG shares in all respects from the date of issue.

Settlement of New Shares issued as part of the Placement and Institutional Entitlement Offer is expected to occur Monday, 20 December 2021. The issue of those New Shares is expected to occur on Tuesday, 21 December 2021, with ordinary trading commencing the same day.

The ASX trading halt that was implemented on Tuesday, 7 December 2021 in relation to Johns Lyng shares will be lifted prior to market open today.

Retail Entitlement Offer

Retail shareholders who have a registered address in Australia or New Zealand as at 7:00pm on Monday, 13 December 2021 will be invited to participate in the Entitlement Offer at the same Offer Price and offer ratio as under the Institutional Entitlement Offer ("**Retail Entitlement Offer**"). The Retail Entitlement Offer will open on Wednesday, 15 December 2021 and close at 5:00pm on Thursday, 30 December 2021.

Eligible retail shareholders will be sent an offer booklet ("**Retail Offer Booklet**") including a personalised entitlement and acceptance form on Wednesday, 15 December 2021. The Retail Offer Booklet will provide the details of how to participate in the Retail Entitlement Offer. A copy of the Retail Offer Booklet will also be lodged with the ASX on Wednesday, 15 December 2021. Eligible retail shareholders may opt to take up all, part or none of their Entitlement.

In addition to each eligible retail shareholder's Entitlement under the Retail Entitlement Offer, eligible retail shareholders will be offered the opportunity to apply for additional New Shares (up to 100% of their Entitlement) under a "top-up" facility ("**Top-Up Facility**"). Eligible retail shareholders are not assured of being allocated any New Shares in excess of their Entitlement under the Top-Up Facility. New Shares allocated under the Top-Up Facility will be allocated in accordance with the allocation policy outlined in the Retail Offer Booklet. JLG retains absolute discretion regarding allocation under the Top-Up Facility.

JLG may (in its absolute discretion) extend the Retail Entitlement Offer to any institutional shareholder that was eligible to, but was not invited to participate in, the Institutional Entitlement Offer (subject to compliance with relevant laws).

Other information

MA Moelis Australia Advisory Pty Limited and J.P. Morgan Securities Australia Limited acted as joint lead managers, bookrunners and underwriters to the Equity Raising.

Key Dates

Item	Date
Announcement of results of Institutional Entitlement Offer and Placement	Monday, 13 December 2021
Trading halt lifted and trading re-commences on an ex-entitlement basis	Monday, 13 December 2021
Record date for determining entitlement to subscribe for New Shares	7:00pm Monday, 13 December 2021
Retail Entitlement Offer opens and retail offer booklet despatched	Wednesday, 15 December 2021
Settlement of New Shares issued under the Institutional Entitlement Offer and Placement	Monday, 20 December 2021
Allotment and trading of New Shares issued under the Institutional Entitlement Offer and Placement	Tuesday, 21 December 2021
Retail Entitlement Offer closes	Thursday, 30 December 2021
Announcement of results of Retail Entitlement Offer	Wednesday, 5 January 2022
Settlement of New Shares issued under the Retail Entitlement Offer	Friday, 7 January 2022
Allotment of New Shares issued under the Retail Entitlement Offer	Monday, 10 January 2022
Quotation of New Shares issued under the Retail Entitlement Offer	Tuesday, 11 January 2022
Expected dispatch of holding statements	Tuesday, 11 January 2022

Further Information

Further details are contained in the JLG investor presentation released to the ASX on Thursday, 9 December 2021 ("**Investor Presentation**"). This announcement and the Investor Presentation should be read in conjunction with each other. The Investor Presentation contains important information including key risks of JLG's business, details of the Acquisition and the Equity Raising and foreign selling restrictions applying to the Equity Raising.

Please contact the Offer Information Line on 1800 990 475 (within Australia) or +61 1800 990 475 (outside of Australia) between 8:30am and 5:00pm (Melbourne time) Monday to Friday if you have any questions in connection with the Equity Raising. Please consult with your broker, solicitor, accountant, financial adviser or other professional adviser if you have any questions in relation to this announcement or the Equity Raising.

This announcement was authorised for release by the Board of Johns Lyng Group Limited.

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Important Notices

Not for release or distribution in the United States

This announcement has been prepared for publication in Australia and may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration of the US Securities Act and applicable US state securities laws.

Forward-Looking Statements

This announcement contains certain "forward-looking statements", including but not limited to projections and guidance on future financial performance, potential synergies and estimates, the timing and outcome of the Reconstruction Experts acquisition, the outcome and effects of the Equity Raising and the use of proceeds, and the future performance of JLG post-Acquisition.

The words "expect", "anticipate", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions are intended to identify forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and certainties and other factors which are beyond the control of JLG, its directors and management.

Forward-looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. Actual results, performance or achievements may differ materially from those expressed or implied in such statements and any projections and assumptions on which these statements are based. These statements may assume the success of JLG's business strategies. The success of any of those strategies will be realised in the period for which the forward-looking statement may have been prepared or otherwise. Readers are cautioned not to place undue credence on forward-looking statements and, except as required by law or regulation, none of JLG, its representatives or advisers assumes any obligation to update these forward-looking statements. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. The forward-looking statements are based on information available to JLG as at the date of this announcement.

None of JLG or any of its subsidiaries, representatives, advisers, or affiliates (or any of their respective officers, employees or agents) makes any representation, assurance, or guarantee as to the accuracy or likelihood of fulfilment of any forward-looking statement or any outcomes expressed or implied in any forward-looking statements.

Financial Data

Readers should be aware that the pro-forma financial information included in this announcement is for illustrative purposes and does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the United States Securities and Exchange Commission. Readers should be aware that certain financial data included in this announcement is "non-IFRS financial information" under ASIC Regulatory Guide 230 Disclosing non-IFRS financial information published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934. Non-

IFRS/non-GAAP measures in this announcement include the pro-forma financial information, EBITDA and EBIT. Readers are cautioned, therefore, not to place undue reliance on any non-IFRS/non-GAAP financial information and ratios included in this announcement.

Information about Reconstruction Experts

Certain information in this announcement has been sourced from Reconstruction Experts, its representatives or associates. While steps have been taken to review that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, correctness, completeness or adequacy. Certain market and industry data used in connection with this announcement may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither JLG nor its representatives have independently verified any such market or industry data provided by third parties or industry or general publications.

The financial information for Reconstruction Experts is based on audited financial statements for the financial year ended 31 December 2020 as well as financial and operating data provided by Reconstruction Experts including monthly unaudited management financial accounts. Pro-forma EBITDA reflects normalisation adjustments made to Reconstruction Experts' reported EBITDA for the impact of (i) one-time transaction and integration costs; (ii) non-recurring management fees paid to the current owner; and (iii) other non-recurring and one-off non-operational expenses.

JLG has performed due diligence on the financial records of Reconstruction Experts however this does not constitute an independent verification of the information provided by Reconstruction Experts. Investors are cautioned that they should not place reliance on this information as if it were audited financial information.

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ABOUT JOHNS LYNG GROUP

Johns Lyng Group Limited (JLG) is an integrated building services group delivering building and restoration services across Australia and internationally. JLG's core business is built on its ability to rebuild and restore a variety of properties and contents after damage by insured events including impact, weather, and fire events. Beginning in 1953, JLG has grown into an international business with over 1,400 employees servicing a diversified client base comprising major insurance companies, commercial enterprises, local and state governments, body corporates/owners' corporations and retail customers. JLG defines itself by delivering exceptional customer service outcomes every time.